

CITY OF ALEXANDRIA TAXES

Finance Administration

The Department of Finance, City of Alexandria, consists of four divisions (Revenue, Treasury, Accounting and Purchasing), and administers the following taxes:

Local Taxes

- C Bank Franchise License Tax
- C Business Professional And Occupational License Tax
- C Business Tangible Personal Property Tax
- C Cigarette Tax
- C Daily Rental Tax
- C Motor Vehicle License Tax
- C Public Utilities Tax
- C Real Estate Tax
- C Recordation Tax
- C Restaurant Meal Sales Tax
- C Transient Lodging Tax
- C Utility Tax
- C E-911 Tax

Bank Franchise License Tax

Every bank or trust company with its main office or branch office(s) in the City must pay an annual franchise tax.

Contact: For additional information, please contact the *Tax Services & Enforcement Branch, Department of Finance at (703)838-5083*. See the appendix for the address of the *Tax Services & Enforcement Branch*.

Business Professional and Occupational License Tax (BPOL)

Businesses, professionals, and occupations that meet all qualifications and legal requirements must obtain a business license upon application and payment of the license tax. All persons (including corporations, partnerships and individuals) doing business in the City of Alexandria, or self employed professionals, on a part-time or full-time basis, and persons with home-occupation businesses, are required to pay an annual tax on gross receipts earned in the City. Every person or entity beginning a business is required to estimate the gross receipts the business will receive between the date the business operations began and the end of the current license year. All businesses must file whether or not a tax is due.

Contact: For more information, please contact the *Business Tax Branch, Department of Finance at (703) 838-4680*. See the appendix for the address of the Business Tax Branch.

Business Tangible Personal Property Tax

Alexandria levies a tax on tangible personal property employed in a trade or business (furniture, fixtures, machinery, etc.) located in the City of Alexandria. Adjusted annually, the current rate is \$4.75 per \$100.00 of assessed value of furniture, fixtures, computers, and other business equipment. The current tax rate for machinery and tools is \$4.50.

Contact: For additional information, please contact the *Business Tax Branch, Department of Finance at (703) 838-4680*. See the appendix for addresses of the Business Tax Branch.

Cigarette Tax

The City of Alexandria and Commonwealth of Virginia levy separate taxes on every person who sells, distributes, or uses cigarettes. All cigarettes purchased within the City must be purchased using the proper name and address where they are to be sold or distributed.

Contact: *Northern Virginia Cigarette Tax Board, (703) 591-9222*, or the *Revenue Division, Department of Finance at (703) 838-4570*. See the appendix for the Northern Virginia Cigarette Tax Board's address.

Daily Rental Tax

Businesses that generate a minimum of 80% of their annual gross receipts from transactions involving rental periods of 92 consecutive days or less may qualify as a short-term rental business and remit a daily rental tax in lieu of business property tax on those rental properties.

Contact: For more information, please contact the *Tax Services & Enforcement Branch, Department of Finance at (703) 838-4570*. See the appendix for the address of the Tax Services & Enforcement Branch.

Motor Vehicle License Tax

The City of Alexandria levies an annual vehicle license tax on all motor vehicles, trailers, and semi-trailers owned and held by City residents. The current tax rate is \$4.75 per \$100 of assessed value, prorated on the portion of the year that the vehicle is located in Alexandria. The rate is adjusted annually.

Contact: *Personal Property Tax Branch, (703) 838-4560*. See the appendix for the Personal Property Tax Branch's address.

Real Estate Tax

The City of Alexandria levies tax each calendar year on all real estate located in the City that is subject to taxation. The tax is paid in two installments. The first half is due June 15th and the second half is due November 15th. The current rate is \$1.11 per \$100.00 of assessed value.

Contact: For information on the assessed value, contact *Department of Real Estate Assessments, (703) 838-4646*. For real estate billing questions, contact the *Treasury Division, Department of Finance at (703) 838-4777*. See the appendix for the address of the Department of Real Estate

Assessments and the Treasury Division.

Recordation Tax

Virginia imposes a state tax on the admission of record of deeds, deeds of trust, mortgages, leases and contracts. The amount of the tax is determined and collected by the Clerk of the Court in the local jurisdiction where the document is first recorded. The City of Alexandria also levies a recordation tax.

Contact: *Clerk of the Circuit Court, Land and Records Division, (703) 838-4066.* See the appendix for the address of the Clerk of the Circuit Court.

Restaurant Meal Sales Tax

Any person, group of persons, corporation, company, association, firm or partnership that sells food and drink to be consumed by the purchaser at one time must collect this tax. The current rate is 3% of the purchase cost. The state also levies a sales tax on every person who sells, distributes or consumes food and drink .

Contact: For additional information, please contact the *Tax Services & Enforcement Branch, Department of Finance at (703) 838-4570.* See the appendix for the address of the *Tax Services & Enforcement Branch.*

Transient Lodging Tax

Hotels that rent rooms or spaces to any person for periods of 90 consecutive days or less, must collect a City tax. The current rate is 5.5 percent plus \$1.00 per room per day.

Contact: For more information, please contact the *Tax Services & Enforcement Branch, Department of Finance at (703) 838-4570.* See the appendix for the address of the *Tax Services & Enforcement Branch.*

Utility Tax

Every public service corporation that sells or furnishes a utility service must collect a City tax from the purchaser of the service. Alexandria City Code exempts from taxation federal, state and local agencies, political subdivisions, boards, commissions, and the purchase of bottled water and service from the Alexandria Sanitation Authority.

Contact: For additional information about the taxes listed above, contact the *Tax Services & Enforcement Branch, Department of Finance at (703) 838-4570.* See the appendix for the address of the Tax Services & Enforcement Branch.